

As of June 30, 2008

Market Values				Annualized Performance (Gross of Fees)									
Asset Class	Market Values	Allocation	Target	1 Mon.	FYTD	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
<b>TOTAL PORTFOLIO</b>	<b>\$11,318,641,793</b>	<b>100.1%</b>	<b>100.0%</b>	<b>-4.8%</b>	<b>-5.8%</b>	<b>-5.7%</b>	<b>-5.8%</b>	<b>5.2%</b>	<b>7.2%</b>	<b>7.9%</b>	<b>9.6%</b>	<b>5.8%</b>	<b>5.8%</b>
Custom Benchmark (Actual Allocations)				-4.5%	-4.8%	-5.6%	-4.8%	5.4%	7.3%	8.0%	9.6%	6.2%	5.9%
Custom Benchmark (Target Allocations)				-4.6%	-4.6%	-5.6%	-4.6%	5.4%	7.4%	8.3%	9.9%	6.3%	6.0%
<b>Total Fixed Income</b>	<b>\$2,547,411,351</b>	<b>22.5%</b>	<b>20.0%</b>	<b>-0.5%</b>	<b>5.4%</b>	<b>0.8%</b>	<b>5.4%</b>	<b>6.1%</b>	<b>4.3%</b>	<b>5.0%</b>	<b>4.1%</b>	<b>4.9%</b>	<b>5.1%</b>
LB Universal				-0.3%	6.2%	0.8%	6.2%	6.4%	4.1%	5.0%	4.2%	5.7%	5.8%
<b>Total US Equity <sup>1</sup></b>	<b>\$4,516,173,232</b>	<b>39.9%</b>	<b>40.0%</b>	<b>-7.6%</b>	<b>-11.6%</b>	<b>-8.7%</b>	<b>-11.6%</b>	<b>2.9%</b>	<b>5.5%</b>	<b>6.3%</b>	<b>9.2%</b>	<b>4.0%</b>	<b>4.3%</b>
Wilshire 5000				-8.2%	-12.5%	-11.0%	-12.5%	2.7%	5.1%	5.9%	8.8%	3.7%	3.6%
<b>Total Intl Equity</b>	<b>\$2,099,202,674</b>	<b>18.5%</b>	<b>20.0%</b>	<b>-7.2%</b>	<b>-10.4%</b>	<b>-10.2%</b>	<b>-10.4%</b>	<b>7.4%</b>	<b>14.2%</b>	<b>14.2%</b>	<b>17.1%</b>	<b>9.7%</b>	<b>6.8%</b>
MSCI EAFE				-8.2%	-10.2%	-10.6%	-10.2%	7.1%	13.3%	13.5%	17.2%	9.5%	6.2%
<b>Total Real Estate</b>	<b>\$1,332,081,349</b>	<b>11.8%</b>	<b>10.0%</b>	<b>-1.4%</b>	<b>3.5%</b>	<b>0.6%</b>	<b>3.5%</b>	<b>9.2%</b>	<b>12.6%</b>	<b>13.1%</b>	<b>12.4%</b>	<b>10.7%</b>	<b>9.2%</b>
NCREIF				0.2%	9.2%	2.2%	9.2%	13.2%	15.0%	15.7%	14.7%	12.3%	12.2%
<b>Total Alternatives</b>	<b>\$524,928,589</b>	<b>4.6%</b>	<b>5.0%</b>	<b>1.0%</b>	<b>-4.4%</b>	<b>-5.9%</b>	<b>-4.4%</b>	<b>12.1%</b>	<b>15.1%</b>	<b>18.6%</b>	<b>17.3%</b>	<b>8.0%</b>	<b>11.4%</b>
VE All Private				0.5%	0.6%	1.6%	0.6%	5.9%	12.1%	13.4%	15.3%	6.1%	11.1%
<b>Total Infrastructure</b>	<b>\$210,212,996</b>	<b>1.9%</b>	<b>5.0%</b>	<b>-3.9%</b>	<b>9.6%</b>	<b>-3.5%</b>	<b>9.6%</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
LB Aggregate				-0.1%	7.1%	1.1%	7.1%	6.6%	4.1%	4.8%	3.9%	5.4%	5.7%
<b>Cash</b>	<b>\$88,631,602</b>	<b>0.8%</b>	<b>0.0%</b>	<b>2.5%</b>	<b>49.3%</b>	<b>29.2%</b>	<b>49.3%</b>	<b>30.9%</b>	<b>26.3%</b>	<b>22.4%</b>	<b>18.1%</b>	<b>13.8%</b>	<b>11.6%</b>
91 Day T-Bill				0.2%	3.7%	1.3%	3.7%	4.4%	4.3%	3.7%	3.2%	2.9%	3.6%

<sup>1</sup>Included domestic equitization and hedge funds.

<sup>2</sup>Information is on a quarterly basis and therefore information is not available for February.

<sup>3</sup>Includes security lending income.

